



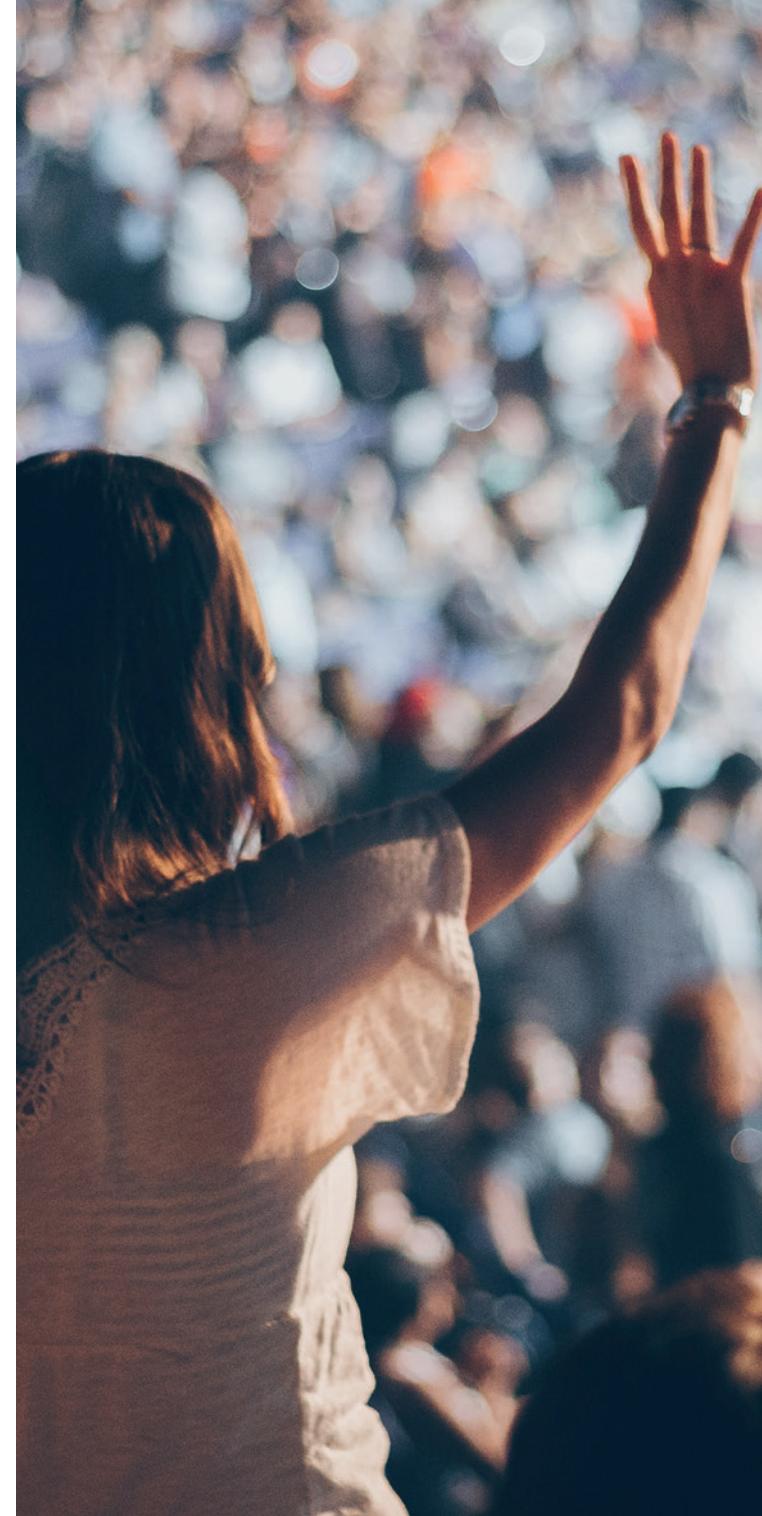
# Audience Segmentation Strategies to Personalise Digital Marketing

# Audience Segmentation - An Introduction

You can't do digital marketing without an audience and you can't have an audience without an idea of who you are targeting. If you know who you are targeting, but aren't specifically segmenting your audience to target them, then you're wasting their time as well as your own resources.

Sending an email to your whole database about an offer you're running in Berlin isn't going to be of much interest to customers you have in London, so it's good practice to segment your audience geographically to avoid unnecessary emails. Targeting by geography is a basic level of segmentation and if you can't do that, your marketing database has some serious issues that need fixing. To get ahead of your competitors you need to be working your data hard to find new and innovative ways of personalising the way you communicate with people digitally.

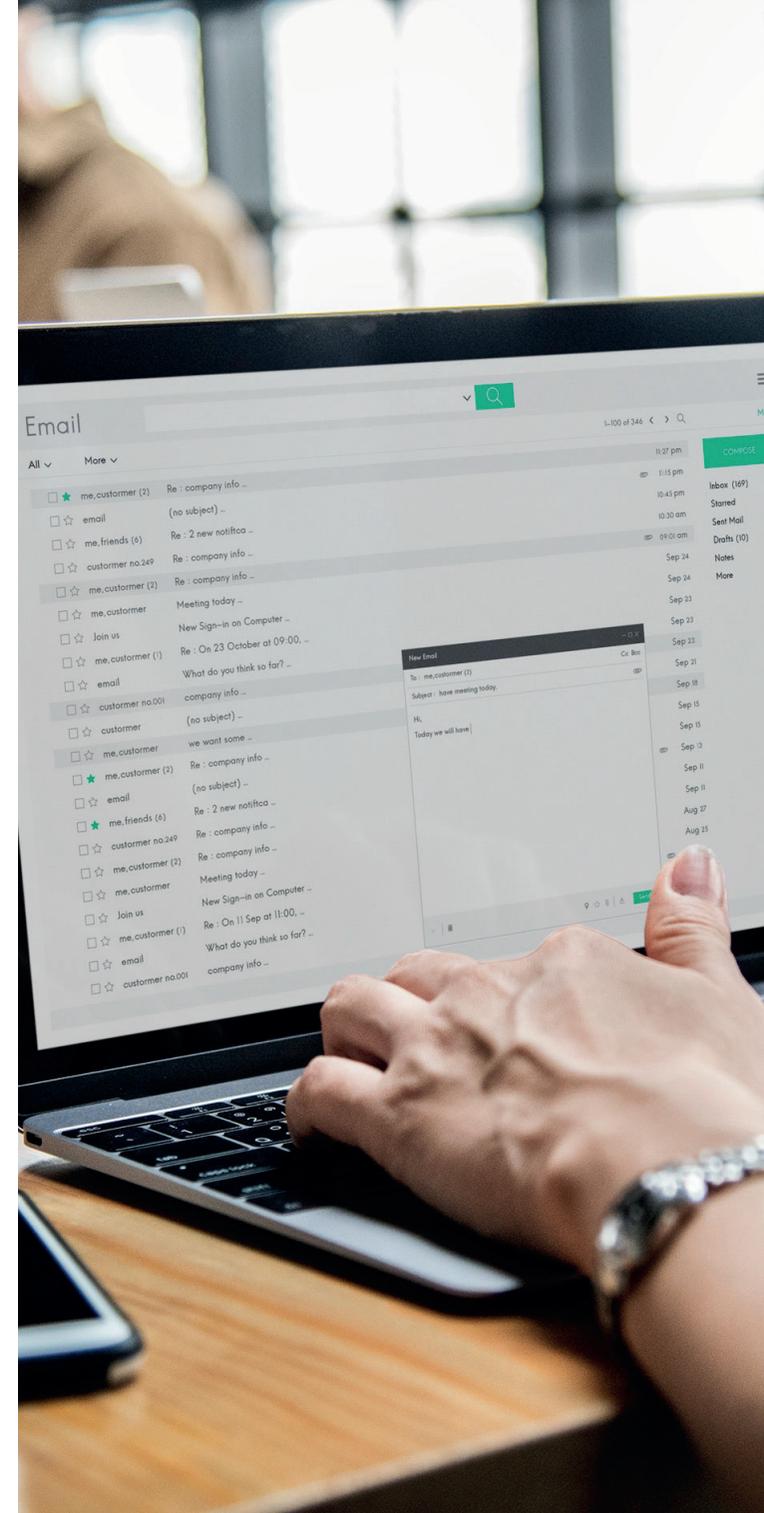
According to a study by Epsilon, [80% of consumers](#) are more likely to make a purchase when they receive a personalised experience. Meanwhile, Hubspot says that [74% of consumers](#) get frustrated by websites with content that has nothing to do with their interests. It's what we as consumers expect from cutting edge brands today and the technology is out there to help you achieve it. In this guide we'll be exploring some audience segmentation strategies to help you deliver the kind of successful personalised digital marketing campaigns that will deliver every time.



# Advantages of Segmentation

There are five main reasons why segmentation is essential for effective digital marketing:

- **Finding New Markets** – if you look at your database as just a bunch of customers, you're missing out on potentially lucrative niches. These markets might not have occurred to you beforehand but have the potential for being game-changers that you can take the credit for uncovering.
- **Cutting Costs** – Digital marketing doesn't necessarily come with the same obvious cost savings as campaigns that involve the production of printed materials. However, there are still savings to be made when it comes to PPC spend if you are successfully ruling out paying to get your ads in front of people who won't care.
- **Streamlining** – new data protection rules like GDPR will have caused you to have streamlined your email marketing lists already but cutting the unproductive chaff and identifying the most promising contacts to hit with top quality personalised messaging will seriously boost your metrics and smash your KPIs.
- **Competitive Advantage** – with the right level of marketing segmentation, you can apply a laser focus to certain areas, enabling you to direct your resources and attention to really compete in them. Otherwise, there is a danger of spreading yourselves and your budgets too thin chasing leads you'll never get.

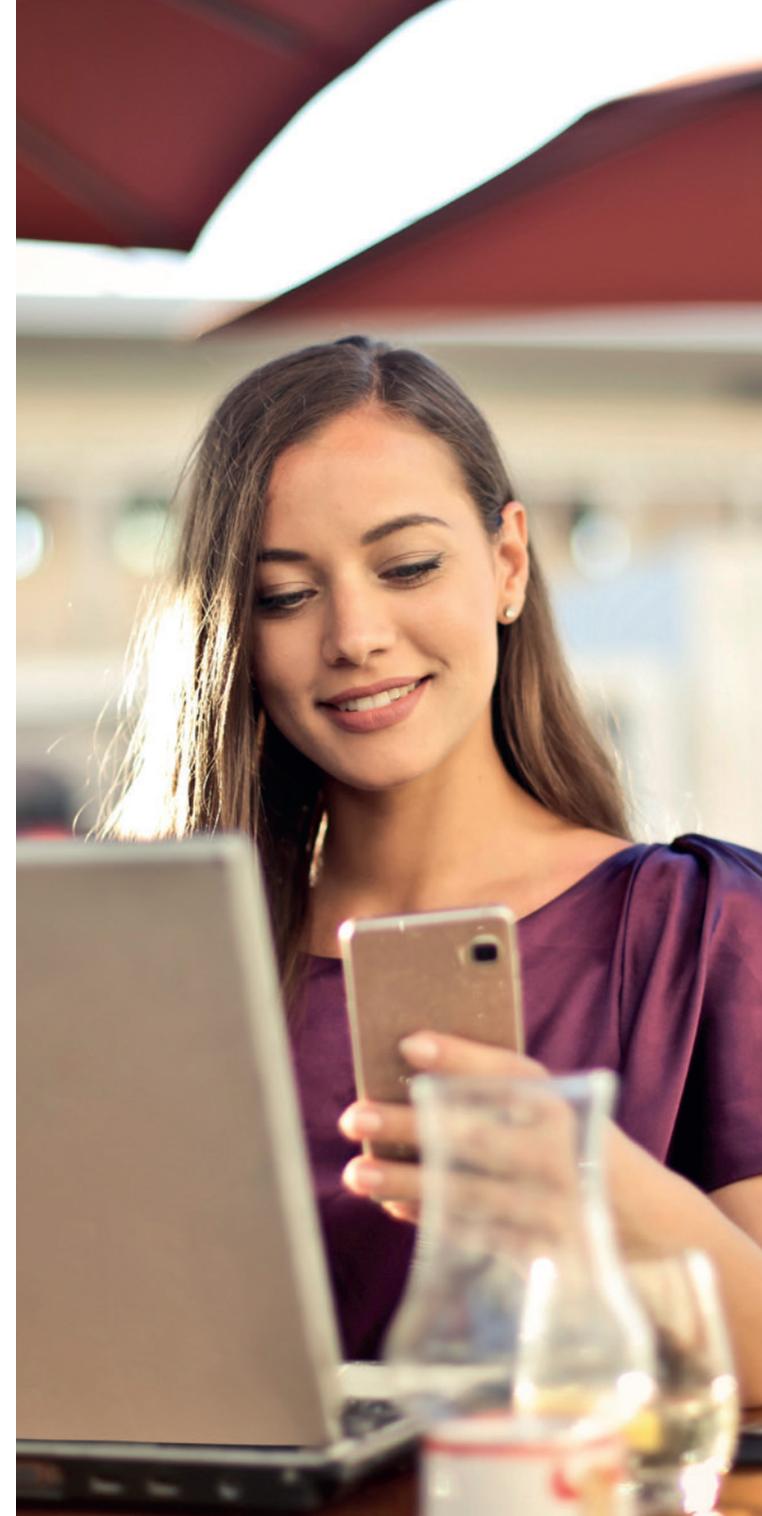


- **Better customer retention** – marketing segmentation can be a powerful tool in the fight against churn, as it can lead to greater opportunities for personalisation, which keeps your customers engaged and feeling like they matter to you.

## What Does Good Segmenting Look Like?

How do you know when you have successfully segmented your marketing database? You don't need to wait for the results to roll in to see if you're on the right track, because these are the signs of a segment that is ready to bring in the success you're looking for:

- It should be large enough to be worthwhile marketing to
- It must be easily distinguishable from other segments
- You must be able to communicate to them
- You should be able to measure how successful it has been
- Apart from in exceptional circumstances, it shouldn't be a temporary segment, as you need longevity and stability
- There needs to be the possibility to market to and convert leads from this segment in a cost-effective manner



# How Can You Segment Your Audience?

So far we've mentioned segmenting by geography, but there are many ways you can slice up your database to set up campaigns that are effective and interesting & relevant to your audience. Here are some of the most common ways to segment:

- **Demographics** – these can include age, gender, ethnicity, religion, marital status, education, occupation, social class, income, etc. Religion can also be a significant factor, as you would not want to send an offer related to alcohol to somebody in your database who follows a religion that forbids drinking it.
- **Behavioural** – how do users interact with your business? You should be able to segment based on all kinds of data from your website and marketing software, all of which should indicate levels of engagement.
- **Geographic** – segment by country, region, city or postcode to target people with localised offers. If your audience is global, you will need to take other factors into account like local cultures, practices, different public holidays, etc.
- **Psychographic** – how much do you know about your audience? The more data they give you about themselves, the more you can tailor your marketing to them in terms of their values, attitudes, interests and lifestyles. How far you take this would depend on your resources and budgets, but the more personalised your campaigns can be for each individual you are marketing to, the better chance you have of converting them.



- Channel – segmenting by responsiveness to various marketing channels can also be a good way to optimise your efforts. If somebody never opens your emails, there may be a better way to get your offer in front of them.

## Strategies to Personalise Digital Marketing

### 1. Get to Know Your Audience

There are lots of tools out there for digital marketers to use to find out more about their customers and potential customers, but the most straightforward and ethical way is to just ask them. You used data capture to establish them as possible leads way back at the start of your journey together, so now's the time to see if they want to go steady by asking the right questions to get to know more about them, enabling you to build customer personas. You can incentivise it with a quiz or competition, and you should make it as fun and engaging as is appropriate for your brand. The end result should be a win-win for you and your audience, because it should make you better able to send them interesting and relevant communications that they actually want to receive.

### 2. Go Deep

To successfully segment your audience, there's almost no way you can do **too much** research into the marketplace and your customers, prospects and leads. The more you know, the more you can achieve and the smarter your data will end up being. Use insights and data from external sources as well as your own to collate and identify trends, gaps and opportunities for segmentation.



### 3. Identify The 20%

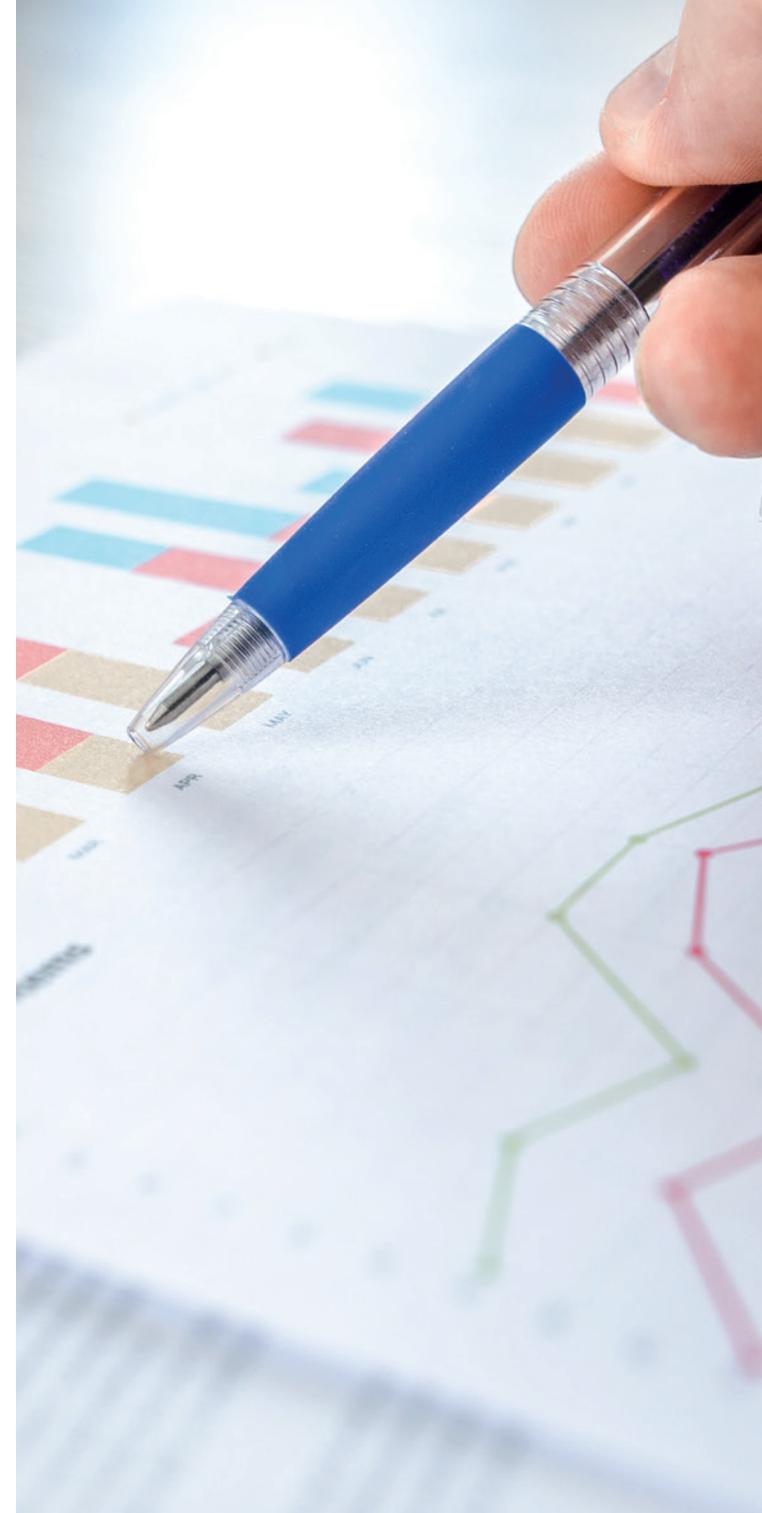
The 80/20 principle says that 80% of any business's turnover comes from 20% of its customers, so a crucial part of segmentation has to be trying to identify this 20%. This makes it easier to focus on them for key campaigns with targeted and very personalised marketing beyond what you would send to the other 80% of less productive accounts.

### 4. Segment by Funnel Position

Segmenting your audience by where they are in the sales funnel is another way to ensure that your digital marketing efforts are as efficient as possible. If you're marketing to people at the top of the funnel in the same way as those near the bottom, you cannot expect to be getting both messages absolutely right because they have different needs. Those who have been nurtured down the funnel and have interacted with a few different touch points will have given you enough information to know more about their specific wants and interests, so use those to close the deal.

### 5. Use Targeted Landing Pages

The Hubspot research we mentioned at the start of this guide showed that customers get annoyed with websites that offer no personalisation. When you run an email campaign to drive them to your website, make sure you use targeted landing pages for key segments with relevant offers and optimised & personalised content.



## Conclusion

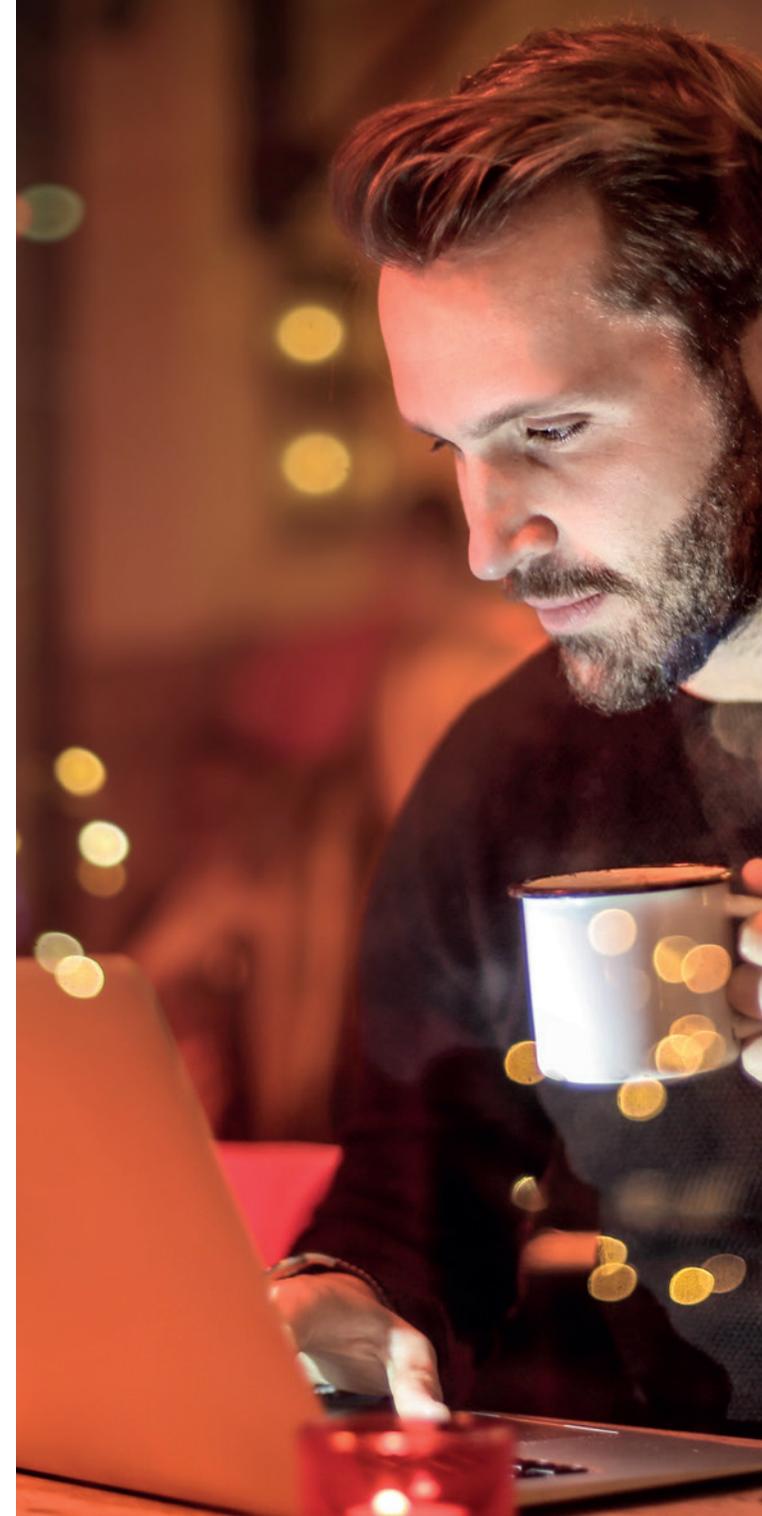
Being able to offer personalised marketing communications is the holy grail for digital marketers - and segmentation is the path to take to get you there. It's a process that will require some patience and hard work to get right, but the rewards will be more than worth the initial efforts.

At MPP Global we know the power of personalisation when it comes to attracting and retaining subscribers and members. Get in touch with us today and together we can plan how you take the next step towards getting your customers coming back time and time again.

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